

PROGRESS REPORT

ACTIVITIES – AN OVERVIEW



Robert Bosch GmbH has been a member of the United Nations Global Compact since 2004, and is committed to this initiative’s ten global principles in the areas of human rights, working standards, environmental protection, and the fight against corruption. The following table provides an overview of the progress made in the 2017 reporting period in relation to these ten principles of responsible corporate governance.

| Principle | Targets/Basic principles | Actions | Results |
|---|--|--|---|
| Human rights Principle 1: Support and respect human rights Principle 2: No complicity in human rights abuses | Corporate target 1000 supplier audits by 2020 Basic principles Code of Business Conduct for suppliers Basic principles of social responsibility at Bosch Bosch purchasing guidelines “We are Bosch” mission statement | Supply chain-related activities Environmental and occupational safety audits of the supplier portfolio | 740 audits conducted since 2010 Established in 2008, the Code of Business Conduct has been fully revised |
| | | Social responsibility Bosch has made economic, social, and ecological concerns an integral part of its approach to social responsibility | Bosch is an active member of the German Network for Business Ethics Compliance & Integrity Forum. In 2017, the company sponsored the Human Rights working group |
| | | Purchasing guidelines In all contracts, Bosch requires that its suppliers adhere to the core labor standards of the International Labor Organization (ILO) on the basis of the UN Global Compact | Suppliers make necessary improvements; failure to do so can lead to sanctions (e.g. termination of the supplier agreement) |
| Labor standards Principle 3: Uphold freedom of association Principle 4: Elimination of all forms of forced and compulsory labor Principle 5: Abolition of child labor Principle 6: Elimination of discrimination | Corporate target 20 percent share of women executives by 2020 Basic principles Basic principles of social responsibility at Bosch Bosch Human Resources System “We are Bosch” mission statement The “We LEAD Bosch” management guidelines Diversity Charter Guidelines for a flexible and family-friendly working culture | Women executives Increase the share of women in management positions women@bosch For more than 20 years, the associate network has promoted the interests of women at Bosch | Share of women in management positions in 2017: 16.1 percent The global network counts some 3000 members in 20 countries – with a broad range of events that promote knowledge sharing/development |
| | | Diversity management Expand group-wide programs that aim to promote diversity and attract the best talent | In 2017, almost 200 locations took part in the 4th global Bosch Diversity Day “Impulse”, a new communication initiative on the topic of diversity, was launched at 200 locations Some 2700 Bosch associates attended workshops on “unconscious bias” |
| | | RBg associate network The Bosch associate network is committed to promoting acceptance of lesbian, gay, bisexual, and transgender (LGBT) people | Some 300 members in ten countries are working to making the LGBT community more visible at the company In 2017, the LGBT Allies Network was launched: more than 100 Bosch associates from different divisions are committed to showing support for LGBT issues, both internally and externally |
| | | The “Chefsache” initiative In a network with well-known German companies and organizations, Bosch launched the “Chefsache” initiative, which aims to support women in management positions | 15000 participants took part in 50 events, where they helped shape the initiative with mentoring programs, networks, seminars, and training sessions |

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| <p>Labor standards</p> <p>Principle 3: Uphold freedom of association</p> <p>Principle 4: Elimination of all forms of forced and compulsory labor</p> <p>Principle 5: Abolition of child labor</p> <p>Principle 6: Elimination of discrimination</p> | <p>Corporate target 20 percent share of women executives by 2020</p> <p>Basic principles Basic principles of social responsibility at Bosch</p> <p>Bosch Human Resources System</p> <p>“We are Bosch” mission statement</p> <p>“We LEAD Bosch” management</p> <p>Charta der Vielfalt (Diversity Charter)</p> <p>Guidelines for a flexible and family-friendly work culture</p> | <p>Associate aid network In 1990, Bosch associates founded the “Primavera e.V.” aid initiative, which aims to provide disadvantaged children from the world’s poorer regions with better access to education and training</p> | <p>1170 members supported the Primavera e.V. initiative by volunteering on aid projects in many parts of the world</p> <p>In 2017, donations amounted to almost one million euros. Since the initiative was founded, more than 9.5 million euros have been donated</p> |
| | | <p>Integration of refugees With a broad range of initiatives and measures, Bosch is committed to supporting refugees. Among other things, the company takes part in the German “Wir zusammen” initiative</p> | <p>Bosch associates collected some 400 000 euros for refugees in 2015. The company doubled the amount to 820 000 euros</p> <p>In 2016 and 2017, more than 100 projects received funding. The projects were selected by a committee of employer and employee representatives</p> |
| | | <p>International foundations Regional commitment through Bosch Group foundations in Brazil, China, India, and the United States</p> | <p>In 2017, the Bosch Group spent a total of 24.6 million euros on charitable initiatives. Of this amount, the foundations supported projects with 8.7 million euros</p> |
| | | <p>Dual education Bosch occupational training model in more than 20 countries around the world</p> | <p>Around the world, Bosch is training some 7 300 young people, 2 600 of them located outside Germany. Moreover, Bosch spent 14 million euros to create additional apprenticeships in Italy, Portugal, and Spain, with the aim of fighting youth unemployment</p> |
| | | <p>A flexible work culture Bosch has global guidelines for a flexible and family-friendly work culture</p> | <p>More than 100 working-time models across hierarchical levels; from part-time work to telecommuting and job-sharing models</p> |
| | | <p>OHSAS 18001 Certification of Bosch locations based on the international occupational safety standard</p> | <p>Occupational safety measures were introduced at all manufacturing sites and major engineering locations. Until now, 126 locations have received external certification. This represents a share of 44 percent</p> <p>In 2017, the number of accidents per million hours worked was reduced to 2.3 (a 66 percent decrease over 2007)</p> |
| | | <p>Promoting continuous improvement Bosch relies on the company suggestion scheme</p> | <p>In Germany alone, some 25 000 associates made suggestions for improvement, which were honored with cash rewards totaling 6.4 million euros</p> |
| | | <p>Internationality Bosch seizes the opportunities of its diversity, pools intercultural knowledge, and ensures that it is passed on</p> | <p>Active participation in the afric@bosch, For Bosch abroad, Türkisches Forum Bosch, and chinese@bosch associate networks</p> |
| | | <p>Generations Bosch promotes cross-generational co-operation through lifelong learning, health management, and knowledge transfer</p> | <p>In 2017, some 1 600 senior experts and a cross-generational tandem exchange project ensured knowledge sharing across generations for all associates</p> |
| | | <p>Integration of people with disabilities Bosch increases its innovative strength by focusing on the unique abilities of its associates rather than on their limitations</p> | <p>At German locations, there are representatives for associates with severe disabilities. Moreover, Bosch cooperates with sheltered workshops and is active in a German working group for workshops employing people with disabilities</p> |

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| Environmental protection Principle 7: Precautionary environmental protection Principle 8: Initiatives to promote greater environmental responsibility Principle 9: Development and distribution of environmentally friendly technologies | Corporate target 35 percent reduction of relative CO ₂ emissions by 2020 over the 2007 reference year In 2018: two percent reduction of relative waste volumes and water consumption over the previous year Basic principles Guidelines for occupational safety and environmental protection Bosch Product Engineering System Bosch Production System Design for Environment (DfE) “We are Bosch” mission statement | CO₂ reduction Global reduction of CO ₂ at all manufacturing and larger development locations | CO ₂ emissions relative to value added reduced by 32.8 percent over the 2007 reference year CDP reporting on greenhouse gas emissions earned a grade of “A-” in 2017 |
| | | Sustainable products Investments in the further development of sustainable products | 5 812 patents filed around the world Almost 54 percent of R&D expenditure went into the development of sustainable products* The environment/safety portfolio accounted for almost 41 percent of group sales* |
| | | Waste volume and water consumption Reduced waste volume and water consumption at Bosch locations | Reduced relative volumes of waste by 2.7 percent and relative water consumption by 6.5 percent over the previous year CDP reporting on water consumption |
| | | ISO 14001 Bosch locations certified in accordance with the international environmental standard ISO 50001 Energy management systems introduced | Environmental management systems have been introduced at all manufacturing sites and major engineering locations; until now, 221 have received external certification. This represents a 76 percent share Energy management systems have been implemented and certified at 54 manufacturing sites (19 percent). A Bosch-wide energy and CO ₂ monitoring program is in place at all manufacturing sites and major engineering locations |
| The fight against corruption Principle 10: Work against corruption | Basic principles Code of Business Conduct “We are Bosch” mission statement Member of Transparency International e. V. (since 1995) Member of the Forum for Compliance & Integrity (since 2007) | Business partner check A new IT tool was implemented to assess whether business partners observe compliance guidelines | Compliance lists are used to assess the activities of customers and suppliers. In the event of breaches of compliance, a special evaluation process is carried out |
| | | Anti-corruption risk analysis Conducted around the world in 2017 | The overall results did not reveal any major risks for Bosch; wherever necessary, appropriate measures were defined and initiated |
| | | Compliance training In-house training program Whistleblower portal Compliance hotline Anyone – associates (including interns and PhD students), external parties (such as temps or employees of external service providers), or business partners (including suppliers, customers, or cooperation partners) can report breaches of compliance (observance of laws and internal regulations relating to business activities). If desired, they can even do so anonymously | The mandatory compliance training program includes sessions on the Code of Business Conduct, product safety and liability, anti-trust laws, and export controls, as well as the product development code. In 2017, 261 057 associates took part in the program First published in 2008, the Code of Conduct was fully revised in 2017 |

* excluding BSH Hausgeräte

Further key principles for sustainable activities in the Bosch Group: in 2010, an office, expert and steering committee were founded. Since then, these bodies have been responsible for the effective implementation of all of the Group’s sustainability-related activities.

Scope of reporting: the scope of the information is indicated in the texts, key figures, and targets. This report presents a summary of the Bosch Group’s current sustainability-related activities across sectors and divisions. It therefore serves as a progress report as part of the group’s membership of the UN Global Compact.

Reporting period: January 2017 to spring 2018. The cut-off date for key figures is December 31, 2017. The editorial deadline was March 1, 2018.

Memberships (examples): B.A.U.M. (1990), Transparency International (1995), econsense (2000, founding member), United Nations Global Compact (2004), Global Reporting Initiative (2006, GOLD Community member), Forum Compliance & Integrity (2007).

Other sustainability reports: WIN-Charta Baden-Wuerttemberg (2017), German Sustainability Code (2017), orientation to GRI standards (2016).